



# NEWS RELEASE

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## **Remarks by Agriculture Secretary Mike Johanns at the "70 Years of Commitment to Rural America" Anniversary Celebration – Washington, May 11, 2005**

[Applause.]

MR. JOHANNNS: Thank you, Gil, for that very kind introduction. I continue to be so proud of my colleagues here at the USDA, and today I'm even more proud. I did not know that we had this kind of musical talent here. Sam Morgan and Ray Sheehan entertained us before we started, and Becky, if I had a voice like that, I probably could be doing something more profitable. It was really good.

It reminds me, I was at an event when I was governor and a pastor was sitting next to me, a friend of mine, Pastor John we called him, and somebody got up and sang like you did. I turned to the pastor and I said, Pastor John, I wish I could sing like that and he looked at me and he said, you know, Governor, I wish you could, too.

[Applause.]

MR. JOHANNNS: It is great to be here. Let me acknowledge Secretary Jack Block (ph) who is here and your wife. We're thrilled about that. Your picture looks great, I think, so let's give them a round of applause.

[Applause.]

MR. JOHANNNS: And to all of you are here, thank you for being here today to help us, aid us in our celebration of 70 years of remarkable accomplishments by the Resettlement Administration and the Rural Electrification Administration.

I feel like I have a personal connection to this celebration partially, of course, because I did grow up on that dairy farm, and I'm glad that when I grew up we had electricity, so there were milking machines. In fact, I remember when I was growing up I asked my mother one time, I said, mom, can you remember a time when you did not have electricity, and she said, yes, of course. When your dad and I started farming and milking cows, it was by hand. We did not have electricity. My mother was a very plainspoken woman, she said, as a matter of fact, half the hell I caught in my life was from not holding the lantern right while your dad was milking the cows.

[Laughter.]

MR. JOHANNNS: But there is another reason as well. Some of you, of course, know and it was referenced in the introduction that I was the Governor of the great state of Nebraska before the President asked me to come out and do this job. I say that with a lot of pride today because it happens that the father of the Rural Electrification Program was actually a Senator from Nebraska, a gentleman by the name of George Norris, and I see the heads nodding out there. George Norris is a very famous Nebraskan.

In fact, I will share with you on the desk in the Secretary's office I have a bust of George Norris. He was like some Nebraskans a pretty smart individual, present company excluded. Here is what he said in a letter to the very first REA Administrator Morris Cook at the launch of the program in October 1935, and I'm quoting, "I know there are innumerable difficulties which must be faced at every step, but if you can launch this great work in the right direction and demonstrate that it will bring comforts, enjoyment and prosperity to our farmers and that it can be done without financial loss, you will have made one of the greatest contributions towards the improvement of farm life that could possibly be imagined." You know what, George Norris was right about that.

That letter was a precursor to legislation written and sponsored by Senator Norris that created the Rural Electrification Act of 1936, and his vision has been a foundation of economic development in rural America for the 70 years since then.

In that first 6 months, the new agency made, among others, two loans in the State of Nebraska. One was to the Roosevelt Rural Public Power District of Scotts Bluff in Sioux County, early loans. If any of you know Sioux County or Scotts Bluff, I will share with you they must have really thought a lot of President Roosevelt because those are really Republican counties. They must have loved this guy out there.

[Applause.]

MR. JOHANNNS: That loan was for \$310,000 to construct 226.5 miles of line for the service to 839 customers. The first 100 kilowatt hours per month cost \$5.50. The second loan was to the Gering Valley Rural Public Power District in another section of Scotts Bluff County. That loan was for \$65,000. It erected 47 miles of line to serve 147 customers. You could find that phenomena all across the United States. Someone described that as humble beginnings, but it was humble beginnings for something really great.

Of course, REA wasn't alone. REA began almost 70 years ago with Executive Order 7037, signed as we've noted on May 11, 1935, by President Franklin D. Roosevelt. It followed on the heels of the establishment of the Resettlement Administration on April 30, 1935. It's hard to describe how tough times were in that period of time in our nation's history.

Then the Water Facilities Act was passed in 1937 to provide loans for associated farm water systems in 17 Western states where drought and water shortage were very familiar hardships. Then in 1949, the Rural Electrification Act of 1936 was amended to provide loans for telephone

service in rural areas. How many of you remember the party line? I see heads nodding and hands going up. I can remember that. A party line when you got to share all of your most private things with your neighbors, right? In 1994, the Water, Electric and Telephone, Housing, Business and Community Programs were combined to become what we know today as Rural Development.

The Rural Development programs today fit like the strands of a thick rope. Together they are stronger and more able to do the job than just going it alone. The Rural Development mission also fits well into the wider universe of so many USDA programs.

We live in a smaller world than we did in 1935. Today, for example, our competition in agriculture is certainly stronger than it's ever been, but we can and do compete successfully in a worldwide marketplace. With the tools that Rural Development provides to rural residents, to communities, they also can compete. Today we are helping rural communities invest in new technologies, technologies that could not have been imagined when the original executive order was signed: technologies, value-added products, additional markets, all of the tools that are necessary to compete in the world.

Let me tell you, the rural America that exists today just isn't the same as 1935. Our small towns in the countryside are great places to live. In fact, the quality of life is truly remarkable. There is a certain timeless quality about those rural communities, but I will tell you without hesitation they are not stuck in the past, very far from it.

The rural communities I know are holding onto their values, but they're embracing the future. They are creating what I call the new rural America, a rural America that combines all of the benefits of traditional rural life, and they are numerous, with all of the advantages of the 21st century, and it's a very remarkable thing to see.

All of Rural Development has a role in building that. Rural development is a place where rural residents in communities can turn for their business, housing, utility infrastructure needs as well as community development support. The President has proposed \$12.8 billion for Rural Development in 2006. In the first 4 years of this administration, we've invested \$12.5 billion in rural electric loan programs representing 728 loans, \$6.4 billion in our water and environmental programs, valuing 2.7 million people; \$3.3 billion in rural high-speed broadband, providing access to more than 1.3 million rural homes and businesses; \$14.7 billion for housing, helping more than 170,000 rural families; \$190 million for renewable energy, \$177 million for telemedicine and distance learning, \$740 million for first responders. In total, USDA Rural Development has deployed through the energy of my colleagues more than \$50 billion in program funds in the past 4 years. It's been responsible for creating or saving more than 800,000 jobs in rural America, and I guarantee you that that commitment is not going to waiver. We will continue to reach out to help create the new rural America for all of our nation's 63 million rural residents.

In a way, I really think that the commitment of the past is what we build on for the future. After all, what better way to mark 70 years of commitment to rural electrification and to Rural Development than by making an equally strong commitment to our future?

Let me close by saying this to all of you, thank you. Thank you for your personal commitment to this mission, an area of the nation that I dearly love. It is a mission. I often say that public service isn't just a job. What you do every day is making a difference in the lives of millions of real Americans, shop owners, teachers, factory workers, mothers and fathers, and the next generation. You may never meet them, but you are very, very much part of their lives. And they and our entire country are better off for your service. What a statement.

So thank you. God bless you all. Happy anniversary, Rural Development.

[Applause.]

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